

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
December 21, 2015**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on December 21, 2015.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, Springhorn and Wickstrom.

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Springhorn to approve the December 21, 2015 agenda as submitted.

VOTE: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

There were none.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

The New Year's Eve Party is an event for families at the Community Center from 5:30 to 8:00 p.m.

The City is coordinating a Citizen's Academy. This is a way for citizens to learn how the City operates behind the scenes in many different areas from public safety to finance to planning. There will be a series of six evening meetings, beginning in March. A limit of 20 will be accepted on a first come first serve basis.

The City and Ramsey County Sheriff's Department are providing information regarding package theft. Residents are encouraged to check the Ramsey County Sheriff's website for tips and to be vigilant in observation, not use mailboxes for outgoing mail and have packages delivered somewhere safe.

Councilmember Wickstrom:

The first Speaker Series sponsored by the Environmental Quality Committee (EQC) will be January 20, 2016, in the Council Chambers. The topic will be *Recycling This Mystery Solved*.

Residents are encouraged to participate in the Know Your Flow Program. This requires getting a small magnetized device that provides readouts on water used each hour. The device is free from the City. More information is available on the City website.

Happy Holiday to everyone.

Councilmember Springhorn:

Thanked Mayor Martin, all Councilmembers and City staff for helping him become acclimated to the position of Councilmember in his first year.

He announced that Team Athena took first place in the robot competition December 12, 2015, for Robot Performance, Robot Design and Head to Head Robot Competition. They will advance to sectional competition on January 30, 2016, with five other teams from Island Lake School in Shoreview. The teams may hold a scrimmage at the Community Center or City Hall and invite the public to come and see their work.

Councilmember Quigley:

The Ramsey County Sheriff's Department will hold a Citizen's Academy, beginning January 28, 2016.

Noted that the ice rinks are not yet frozen. Mr. Schwerm responded that it takes at least a week of cold weather to be able to open the rinks. The goal at this time is to open them for New Year's.

Happy Holidays to everyone.

Councilmember Johnson:

With the lack of snow for outdoor activities, parents are encouraged to bring children to the Community Center.

She commended staff for their excellent work in the past year and wished everyone Happy Holidays.

CONSENT AGENDA

MOTION: by Councilmember Johnson, seconded by Councilmember Wickstrom to adopt the Consent Agenda for December 21, 2015, as presented and all relevant resolutions for item Nos. 1 through 16:

1. December 7, 2015 City Council Meeting Minutes
2. Monthly Reports:
 - Administration
 - Community Development
 - Finance
 - Public Works
 - Park and Recreation
3. Verified Claims in the Amount of \$794,597.47
4. Purchases
5. License Applications
6. Designation of Official Depositories for 2016
7. Certification of Delinquent Tree Removals
8. Certification of Delinquent Utility Accounts
9. Adoption of Working Capital Targets and Receipt of 2016 to 2020 Five-Year Plan
10. Receipt of 2016 Comprehensive Infrastructure Replacement Plan
11. Developer Escrow Reductions
12. Approve Apportionment of Assessments - #DA072051
13. Final Plat - Oak Hill Montessori School, 4693 Hodgson Road
14. Amendment to City Code - False Alarms
15. Award of Quote - Parks and Recreation Front Counter Renovation
16. Approval of Final Payment - Owasso Street Realignment, CP 09-12

VOTE: Aye - 5 Nays - 0

PUBLIC HEARINGS**ASSESSMENT HEARING - WEED ABATEMENTS**

**4324 SNAIL LAKE BOULEVARD
1565 LOIS DRIVE**

Presentation by City Planner Kathleen Castle

This public hearing is to assess costs related to the abatement of vegetative growth at the two named addresses. Weed abatement for the property at 4324 Snail Lake Boulevard was authorized June 16, 2014, for a two-year period. Vegetation was cut once this year, and the proposed assessment is \$126.36.

Weed abatement for the property at 1565 Lois Drive was authorized June 15, 2015. The proposed assessment is \$578.33 for three cuttings this year.

Legal notices for these two assessments were published November 25, 2015. Mailed notices were sent December 4, 2015. As the costs have not been paid, staff is recommending the public hearing and authorization of the assessments.

City Attorney Kelly stated that proper notice for the public hearing and assessment has been given.

Mayor Martin opened the public hearing. There were no comments or questions.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Springhorn to close the public hearing at 7:18 p.m.

VOTE: Ayes - 5 Nays - 0

MOTION: by Councilmember Johnson, seconded by Councilmember Springhorn to adopt Resolution No. 15-119, pursuant to Section 210.03(C), approving the assessments related to the abatement of vegetative growth for the properties located at:

4324 Snail Lake Boulevard
1565 Lois Drive

ROLL CALL: Ayes: Johnson, Quigley, Springhorn, Wickstrom, Martin
Nays: None

ITEMS RELATED TO THE BUDGET AND 2016 TAX LEVY

A. AMEND 2016 DEBT LEVIES

B. ADOPT 2016 TAX LEVY (CITY, HRA AND EDA)

C. ADOPT 2016-2017 BIENNIAL BUDGET

D. ADOPT CAPITAL IMPROVEMENT PROGRAM FOR 2016 THROUGH 2021

E. ADOPT ORDINANCE ESTABLISHING 2016 UTILITY RATES

Presentation by Finance Director Fred Espe

Mr. Espe summarized actions needed to adopt the 2016 budget and tax levy.

Amend and Adopt Debt Levies

When debt is issued, the levies are recorded at Ramsey County. The only way debt levies can be changed is through Council action. The recommended debt levy is \$731,000, which is \$896,953 less than the scheduled levies at the County. The reason for this change is due to pre-payments and special assessments. When refunding was done, some debt levies were not removed by the County. Those debt levies are being cancelled.

Adopt Tax Levy

The recommended 2016 tax levy is \$10,667,858, which is a 3.9% increase over 2015. The 2016 HRA levy is recommended at \$100,000, a \$5,000 increase over 2015.

Impact on Median Home with 2.5% Increase in Value

The City tax portion of taxes will increase by \$25.78 on a median value home of \$253,800. The HRA tax portion is an increase of \$0.34. The tax increase to median valued homes from all taxing jurisdictions is \$75.15.

Adopt 2016 Budget

The budget hearing was held on December 7, 2015. A budget is adopted for general and special revenue funds. Action is requested to adopt a budget for 2016 and establish a budget plan for 2017. The 2017 budget plan is not spendable until amended or reaffirmed through the budget process in 2016.

Included in the 2016 budget are job classification system and benefit adjustments:

- Wage adjustment of 2%
- Job title/job classification changes
- Health insurance changes (\$60 increase in City contribution)
- Pay equity approval

Adopt Capital Improvement Program (CIP)

Recommended adoption of the CIP as a planning document that establishes projects for the next six years. Projects are not authorized without separate Council approval for capital costs or projects exceeding \$25,000. Capital replacements comprise 81% of the total, excluding the Water Treatment Plant and proposed Community Center expansion.

Adopt Ordinance Establishing 2016 Utility Rates

Proposed utility rates achieve the following:

- Maintain sufficient cash balances
- Support operating costs and debt payments
- Provide for repair and replacements
- Utilize long-term emphasis for rate setting using a five-year span to avoid a spike in rates when there is high usage
- Estimate gallons using base year approach

Residential utility bills are broken down to include: water, sewer, surface water, street lighting and a state fee. Residential utility rates will increase for an average user by \$10.80 per quarter, which is 6.6%. Very low usage will see an increase of \$7.21; very high usage will see an increase of \$43.13.

State law requires the City to adopt and certify to Ramsey County a budget and tax levy by December 28, 2015.

Mayor Martin asked how residents are informed and educated about utility rates. Mr. Espe responded that each year the City publishes a utility rate booklet that is available at City Hall and online.

Councilmember Quigley asked for further explanation of pay equity. Human Resources Director Laurie Elliott responded that pay equity is part of a law passed in 1984 to compare internal

positions internally. Comparisons are made on an algorithm formula. It is a job-to-job comparison looking at the 10 jobs immediately above and 10 jobs immediately under an existing job. Pay equity looks at male jobs compared to female jobs with regard to decision making, education, experience required, and impact of decisions made. A comparison is made on how the job is valued and how it is paid. Most positions are either overpaid or underpaid by some amount. Depending on the number of males and females and the jobs they hold, equitable pay line moves.

The pay equity report is the statistical report sent to the state. Data is put into state software so staff can determine any adjustments needed to pay equity. Mr. Schwerm added that the report is sent to the state every three years and, based on the current salary schedule, the city believes it is in compliance with the pay equity requirement.

Councilmember Quigley asked if there is market comparison information. Ms. Elliott stated that internal pay equity is different from the market because it is hard to find the jobs on the market that match the City position.

Councilmember Wickstrom noted that the League of Minnesota Cities and the Metro Cities do a salary survey every two years. She asked if the City uses that information. Ms. Elliott stated that is the information used for market comparisons.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to adopt proposed resolution number 15-121 reducing debt levies for fiscal year 2016 per Minnesota Statutes.

ROLL CALL: Ayes: Quigley, Springhorn, Wickstrom, Johnson, Martin
Nays: None

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt proposed resolution number 15-122 adopting a City tax levy of \$10,667,858 and an HRA tax levy of \$100,000 for taxes payable in 2016.

Discussion:

Councilmember Springhorn stated that the levy is not taken lightly. He finds it unfortunate that this is the biggest levy increase in the last seven years, but it has been explained that a large portion of it is the Fire Department duty crews. The increase compares to the other cities served by the Lake Johanna Fire Department and is reasonable.

Mayor Martin also added that consideration must also be given to how Shoreview pays for street projects. In most cities, residents are assessed for a major portion of the project cost. In Shoreview, residents pay approximately 10% of the total project cost. Also, Shoreview does not receive Local Government Aid from the state.

ROLL CALL: Ayes: Springhorn, Wickstrom, Johnson, Quigley, Martin
Nays: None

MOTION: by Councilmember Johnson, seconded by Councilmember Quigley to adopt resolution number 15-123 approving the biennial budget for the years 2016 and 2017, and to approve the benefits and job classification system and pay plan as detailed on the attached pages; and to authorize the City Manager to submit all necessary pay equity reports to Minnesota Management and Budget as required by law.

Discussion:

Councilmember Johnson stated that considering the quality of work done by staff and the Community Survey results, pay is an important consideration and she supports this motion.

ROLL CALL: Ayes: Wickstrom, Johnson, Quigley, Springhorn, Martin
Nays: None

MOTION: by Councilmember Wickstrom, seconded by Councilmember Springhorn to adopt resolution number 15-124 approving the capital improvement program for the years 2016 through 2021 as detailed on the attached pages.

Discussion:

Councilmember Johnson stated that this motion speaks to the City's long-range financial planning and the importance of which cannot be underestimated.

ROLL CALL: Ayes: Johnson, Quigley, Springhorn, Wickstrom, Martin
Nays: None

MOTION: by Councilmember Springhorn, seconded by Councilmember Johnson to adopt the attached Ordinance No. 939 establishing a utility fee schedule effective January 1, 2016.

ROLL CALL: Ayes: Quigley, Springhorn, Wickstrom, Johnson, Martin
Nays: None

AMENDMENTS TO LIQUOR REGULATIONS

Presentation by City Manager Terry Schwerm

Three amendments are requested: 1) to change the definition of a restaurant; 2) change the hours for on-sale liquor sales on Sundays; and 3) delete the distance requirements from any school, church, playground or public place or building for a liquor license.

Currently, in state law a restaurant is defined as an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises and served at tables to the general public, and having a minimum seating capacity for guests as

prescribed by the appropriate license issuing authority. Shoreview's current regulations require seating for a minimum of 100 guests to qualify for an intoxicating on-sale liquor license. This is a large number in comparison to other cities. Staff is recommending a change to a minimum of 40 guests to allow smaller restaurants to qualify for a liquor license. This will help restaurants to locate in Shoreview.

Councilmember Quigley noted that the City has a cap on the number of liquor licenses that can be issued. Mr. Schwerm explained that the City has a cap on off-sale liquor licenses. The cap for on-sale liquor licenses is set by the state. The City has enough margin to change its regulation and be able to issue new on-sale liquor licenses.

Mr. Schwerm stated that state law was changed to allow Sunday on-sale liquor sales to begin at 8:00 a.m. rather than 10:00 a.m. The proposed change is to keep the City ordinance in compliance with state law. The four establishments that would be affected are: Green Mill Restaurant, Meister's Bar and Grill, Hilton Garden Inn, and Red Robin Gourmet Burger and Spirits.

City Code establishes a 300-foot setback for a premise with a liquor license from any school, church, playground, or public place or building. Grocery stores interested in locating at the Rainbow Foods site have indicated an interest in having an off-sale liquor license. That would not be possible with the Oak Hill Montessori located immediately to the north. The City already conducts compliance checks to make sure liquor is not sold to minors. This change will make the City more competitive and help facilitate redevelopment of the former Rainbow Foods site.

Councilmember Quigley asked if there has been any reaction from Oak Hill Montessori. Mayor Martin noted that a representative from Oak Hill was at the meeting earlier for approval of their final plat. That representative mentioned how excited Oak Hill is about the prospective development on the Rainbow site and the hope that it would include a restaurant.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to approve Ordinance No. 937 amending liquor regulations relating to the hours of sale for on-sale liquor licenses, distance requirements for liquor establishments and definition of restaurant.

ROLL CALL: Ayes: Springhorn, Wickstrom, Johnson, Quigley, Martin
Nays: None

Mayor Martin wished everyone a Happy Holiday.

ADJOURNMENT

MOTION: by Councilmember Quigley to adjourn the meeting at 7:50 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 4TH DAY OF JANUARY 2016.

Terry Schwerm
City Manager